Supporting Statement for Paperwork Reduction Act 1925 State Plan Amendment Template 0938-NEW / CMS-10283

A. <u>Background</u>

The template outlines the information a State must include in its Medicaid State plan in order to select either or both of the new options to revise the eligibility requirements for Transitional Medical Assistance (TMA). These new options for State Medicaid programs were provided by section 5004 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, which amended section 1925 of the Social Security Act (the Act) effective July 1, 2009. The template will ensure compliance with the statutory provisions of sections 1902(a)(52), 1902(e)(1), and 1925 of the Act.

Section 1925 of the Act is amended to offer State Medicaid programs the option to extend Medicaid eligibility through TMA if the families were Medicaid eligible under section 1931 of the Act for fewer than 3 of the 6 previous months immediately preceding the month in which the family became ineligible under section 1931. Currently, TMA is only available if the families were Medicaid eligible under section 1931 of the Act for at least 3 of the 6 previous months immediately preceding the month in which the family became ineligible under section 1931.

Section 1925 is also amended to offer State Medicaid programs the option to extend Medicaid eligibility through TMA for an initial period of 12 months. If a State selects this option, the current eligibility requirements at section 1925(b) of the Act do not apply for a second 6-month extension period following an initial 6-month extension period.

This template may be used by States to easily modify their State plans if they choose to implement either or both of the new options at section 1925 of the Act for simplifying the mandatory extension of Medicaid coverage under TMA.

B. <u>Justification</u>

1. Need and Legal Basis

Section 5004 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, amended section 1925 of the Social Security Act effective July 1, 2009 to offer States two new options

for simplifying the mandatory extension of Medicaid coverage under TMA.

2. Information Users

The State Medicaid Agencies will complete the template. CMS will review the information to determine if the State has met all the requirements of section 1925 of the Act. If the requirements are met, CMS will approve the amendment to the State's title XIX plan, giving the State the authority to revise the eligibility requirements for TMA coverage. For a State to receive Medicaid (title XIX) funding, there must be an approved title XIX state plan.

3. <u>Improved Information Technology</u>

This form is available in electronic format. We expect every submittal to be forwarded to our agency using the electronic format. The document is completed in a user friendly format.

4. <u>Duplication of Similar Information</u>

There is no duplication of similar information.

5. Small Businesses

This collection does not impact small businesses.

6. <u>Less Frequent Collection</u>

Once the amendment is approved, there is no need to resubmit unless changes are made to the program. Without this information, CMS cannot grant a State the authority to implement the new options for simplifying the eligibility requirements for TMA coverage. Since the model template outlines the information CMS needs for its review, there should be little need for requests for additional information.

7. Special Circumstances

There are no special circumstances or impediments. The model template is available in electronic format and will be posted on the CMS Internet web site.

8. Federal Register Notice/Outside Consultation

A 60-day Federal Register notice was published on April 17, 2009, attached. CMS has also shared a draft version of this template with both the American Public Heath Services Association and with States.

9. Payment/Gift To Respondent

There is no payment/gift to respondent.

10. <u>Confidentiality</u>

There is no personal identifying information collected in the document. All the information is available to the public.

11. Sensitive Ouestions

There are no questions of a sensitive nature.

12. <u>Burden Estimate (Total Hours & Wages)</u>

The template has 1 page. We estimate that it will take no longer than 1 hour for a State to complete and submit the template to CMS. The potential number of respondents is 51 (50 states and D.C.); however, we estimate 40 states will submit a one-time amendment. Once approved, the State will only need to resubmit to amend the prior submission. We estimate it would take 1 hour per State to make an amendment. If all 51 States choose to complete the template the total annual burden would be 51 hours.

To complete and submit the template, it would cost a State no more than \$30 (\$30/hr. x 1 hrs). To make an amendment, it would cost \$30 (\$30/hr x 1 hrs).

13. Capital Costs (Maintenance of Capital Costs)

There are no capital costs.

14. Cost to Federal Government

There is no cost to the Federal Government.

15. <u>Program or Burden Changes</u>

This is a new collection.

16. Publication and Tabulation Dates

There are no plans to publish the information for statistical use.

17. Expiration Date

CMS does not oppose the display of the expiration date.

18. Certification Statement

There are no exceptions to the certification statement.

C. <u>Collection of Information Employing Statistical Methods</u>

The use of statistical methods does not apply to this form.